

## Non-consolidated Statements of Cash Flows

(Millions of Yen)

|   | 2002/3   | 2001/3  |
|---|----------|---------|
| Years ended March 31, 2002 and 2001                   |          |         |
| <b>Cash Flows from Operating Activities:</b>          |          |         |
| Income before income taxes                            | ¥ 10,601 | ¥ 5,195 |
| Depreciation and amortization                         | 1,208    | 672     |
| Increase in allowance for doubtful debts              | 40       | 1       |
| Increase in reserve for retirement allowances         | 17       | —       |
| Increase in prepaid pension expenses                  | —        | (4)     |
| Loss on disposal of fixed assets                      | 54       | 14      |
| Gain on sale of treasury stock                        | —        | (19)    |
| Loss on evaluation of investment securities           | 611      | —       |
| Gain/loss on sale of investment securities            | (586)    | —       |
| Loss on evaluation of equity funds                    | 71       | 80      |
| Exchange gain/loss                                    | (2)      | 2       |
| Proceeds from interest and dividends                  | (28)     | (28)    |
| Interest expense                                      | 5        | 12      |
| Other profit and loss adjustments                     | 0        | 5       |
| Increase in inventory                                 | (0)      | —       |
| Increase in accounts receivable—trade                 | (2,424)  | (941)   |
| Increase in accounts payable—trade                    | 931      | 5       |
| Increase/decrease in accounts receivable—other        | (1,296)  | 9       |
| Increase/decrease in accounts payable—other           | (16)     | 356     |
| Increase/decrease in consumption taxes payable        | 184      | 144     |
| Payment of bonuses to directors                       | (16)     | (16)    |
| Subtotal  | 9,355    | 5,489   |
| Payment of income taxes and other taxes               | (3,169)  | (1,123) |
| Net cash provided by operating activities             | 6,186    | 4,366   |
| <b>Cash Flows from Investing Activities:</b>          |          |         |
| Purchases of marketable securities                    | (99)     | —       |
| Expenditures on tangible fixed assets                 | (2,350)  | (1,672) |
| Expenditures on intangible fixed assets               | (144)    | (32)    |
| Proceeds from sale of tangible fixed assets           | 13       | —       |
| Expenditures on investment securities                 | (1,057)  | (1,442) |
| Proceeds from sale of investment securities           | 190      | 18      |
| Purchases of investment securities                    | (1,239)  | —       |
| Expenditures on loans                                 | (141)    | (2)     |
| Proceeds from recovery of lending                     | 1        | 56      |
| Expenditures on increases in guarantee deposit assets | (53)     | (30)    |
| Proceeds from decreases in guarantee deposit assets   | 0        | —       |
| Proceeds from interest and dividends                  | 27       | 29      |
| Other cash used in investing activities               | (1)      | —       |
| Net cash used in investing activities                 | (4,854)  | (3,077) |
| <b>Cash Flows from Financing Activities:</b>          |          |         |
| Proceeds from sale of treasury stock                  | —        | 73      |
| Expenditures for repayment of bonds                   | (19)     | (303)   |
| Proceeds from issuance of new shares                  | 49       | 319     |
| Expenditures for acquisition of treasury stock        | (11)     | (58)    |
| Interest expenses                                     | (5)      | (15)    |
| Net cash used in/provided by financing activities     | 12       | 14      |
| Net change in cash and cash equivalents               | 1,344    | 1,303   |
| Cash and cash equivalents at beginning of term        | 5,866    | 4,547   |
| Increase in cash and cash equivalents due to merger   | —        | 14      |
| Cash and cash equivalents at end of term              | ¥ 7,210  | ¥ 5,866 |

Note: Yen amounts are rounded down to the nearest million yen.